

# **Notice of Privacy Practices**

## **City of Salisbury Group Benefit Plan**

**THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.**

### **HIPAA Requirements for the Group Benefit Plan**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the associated Standards for Privacy of Individually Identifiable Health Information (Privacy Rules) include provisions for the protection of individually identifiable health information when used or maintained by the group benefit plan. Most health care providers and health plans are required to comply with these federal regulations by April 14, 2003. Covered plans include health care, dental, vision, and flexible spending plans currently sponsored by the City of Salisbury. By law we are required to maintain the privacy of your protected health information (PHI), and as part of our compliance plan, we must provide you with this notice of our legal duties and privacy practices as they apply to the use of PHI for the administration of the group benefit plan. This Notice identifies how and why we may collect PHI about you, how we handle it, and with whom we share it. Our privacy practices apply to current and former employees and their covered dependents.

### **Protecting Your PHI**

When you enroll in the health care plan, dental plan, vision plan, or flexible spending plan, it is necessary to collect identifying information about you and your dependents which includes but may not be limited to: name, address, telephone number, date of birth, social security number, and similar information about your dependents. While not medical information per se, this type of identifying or demographic information is considered PHI. It is our policy and practice to request only the minimum amount of PHI necessary for providing these benefits to you or for meeting certain regulatory requirements. Appropriate procedural, technical, and physical safeguards are used to ensure that the identifying information that you provide is treated securely and confidentially. Access to this information is limited to only those persons who require the information to effectively administer the group benefit plan or perform associated accounting, payment, budgeting, and auditing functions. These staff members have completed HIPAA-required training and must comply with internal policies and procedures and all applicable law.

### *Permitted Uses & Disclosures of PHI*

While the group benefit plan is sponsored and funded by the City, many of the administrative services, such as member enrollment, claims processing, and billing, are handled on our behalf by our contracted business associates. As a result, only a limited amount of PHI (primarily in the form of individual identifiers and demographics) must be shared between the group benefit plan and our business associates for these routine administrative purposes. HIPAA allows this regular exchange of PHI for treatment, payment, and health care operations without requiring your consent or authorization to do so. Treatment, payment, and health care operations include but may not be limited to the following functions required for plan administration: benefits administration, billing, claims processing, accounting, consulting, and general administration.

Although the group benefit plan does use and disclose PHI for these purposes, specific medical information or claims from your health care providers are only received and used by our business associates -- not by the City. Contractual agreements with our business associates are being amended to include their agreement to comply with appropriate privacy policies and practices. Additionally, the group benefit plan and our business associates may disclose PHI to the City in its capacity as sponsor of the plan, as allowed under HIPAA and plan documents for the purpose of performing plan administration functions on behalf of the group benefit plan. As plan sponsor, the City is strictly prohibited from using this PHI for its employment-related functions, such as promotion or firing decisions. HIPAA also allows certain other uses and disclosures of PHI that do not require your consent or authorization. Examples include disclosures: as required by law; for public health activities; to protect victims of abuse, neglect or domestic violence; for health oversight activities; for judicial and administrative proceedings; for law enforcement purposes; to a coroner, medical examiner, or funeral director for the purpose of their duties; to organ procurement organizations to facilitate donation and transplantation; for research purposes where an authorization waiver has been approved; to comply with laws relating to worker's compensation or similar programs; for specialized government functions; or to the extent necessary to protect the health or safety of a person or the public.

### *Uses & Disclosures Requiring Your Authorization*

HIPAA does require your written authorization for other non-routine uses or disclosures of PHI, such as certain forms of marketing and research, to an employer for employment-related decisions, or in cases where the plan sponsor is advocating on your behalf or providing assistance with the resolution of claims or treatment issues. In order to protect the privacy of your personal health information that may be required for resolution of these types of issues, benefits staff will need your written permission to follow-up with the insurance carrier on your behalf. Should you need assistance of this type, please contact a benefits representative in the

Human Resources Department to request an authorization form so that we may help you resolve such issues. An authorization form is also available on the City of Salisbury's Human Resources web page. You will not need to complete an authorization when contacting us about general benefits questions or to make changes to your benefits. The authorization will only be necessary when we work with you on more specific issues that require discussion about a particular claim or medical situation. You have the right to revoke such an authorization at any time.

### *Your Rights Under HIPAA*

The HIPAA Privacy Rules grant certain rights to you and your dependents with regard to your PHI, including:

1. The right to request restrictions on uses and disclosures of PHI for treatment, payment, and health care operations. We are required to permit your request, but we are not required to agree to any restriction.
2. The right to request and receive communications of PHI from us by alternative means or at alternative locations, if the disclosure of all or part of the information could endanger you in some way. We are required to permit such requests and must accommodate those that are considered reasonable.
3. The right of access to inspect and obtain a copy of your PHI that we maintain for enrollment, payment, or general benefits administration purposes.
4. The right to request an amendment of your PHI if the information is not accurate or complete.
5. The right to an accounting of disclosures of PHI made by us during the six years prior to the date on which the accounting is requested, with the exception of disclosures:
  - To carry out treatment, payment, or healthcare operations;
  - To the individual that is the subject of the PHI;
  - That are incident to a use or disclosure otherwise permitted by HIPAA;
  - Pursuant to an authorization;
  - To individuals involved in the individual's care or other notification purposes;
  - For national security or intelligence purposes;
  - To correctional institutions or law enforcement officials;
  - As part of a limited data set in which PHI has been de-identified;
  - That occurred prior to the April 14, 2003 compliance date.
6. The right to obtain a copy of this notice upon request.

**Contact Information & Notice Availability**

If you have additional questions about this Notice or your individual rights under HIPAA, please contact the group benefit plan Privacy Officer in the Human Resources Department at 132 North Main Street, Salisbury, NC 28144, or at (704) 638-5220. We will endeavor to address factual and legal issues in a lawful manner as they may arise. Additionally, if you believe your privacy rights have been violated, you have the right to file a complaint with this office, or to contact the Secretary of the Department of Health and Human Services, with no fear of retaliation by the City. All requests or complaints related to your PHI and/or your privacy rights must be submitted in writing to the Privacy Officer at the office listed above. We are required to follow the terms of this Notice currently in effect. We may periodically be required to amend this Notice, thus making the new provisions effective for all PHI that is maintained. In accordance with applicable law, we will provide prompt written notification of any changes as they may occur.